GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

STARRED QUESTION NO:560
ANSWERED ON:04.05.2005
DEVELOPMENT OF PORTS
Rao Shri Sambasiva Rayapati

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether India Trade and Investment Forum 2005 organized by the Confederation of Indian Industry (CII) has urged the Government to take steps to improve the condition of ports;

(b) if so, the main points discussed and the decision taken;

(c) whether the Government has urged the CII to take the lead in analyzing the problems of the shipping industry and undertake objective lobbying for the development of ports;

(d) if so, the total requirement for road connectivity over the next few years and the budgetary allocation made for this purpose; and

(e) the extent to which private sector has come forward to develop the ports in the country?

Answer

MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO.560 FOR ANSWER ON 4.5.2005 RAISED BY SHRI RAYAPATI SAMBASIVA RAO REGARDING DEVELOPMENT OF PORTS.

(a) to (c) The India Trade and Investment Forum 2005 was organized by the Confederation of Indian Industry (CII) and Commonwealth Business Council on 9-11 March 2005 in Delhi. During the Session on 'Transportation and Logistics' which also covered the Port Sector and included amongst its panelists, senior officials from the Government, the following main points were presented by the industry for consideration of the Government:

- While various incentives have been provided to the private sector, there are issues that need addressing – the main issue about the viability of the projects that the Government puts out for bidding.
- There are other issues of toll collection from Government agencies, land acquisition, project approval, etc. which the Government should sort out before they put up the projects for tendering.
- Industry appreciated the policy for infrastructure development is in place – but the bottleneck lies in the implementation of the policy.

Representative industry organizations including that of shipping industry articulate their problems before the Government with a view to exploring and arriving at solutions which are consistent with the interests of trade and the common objective of overall economic development of the country, as part of an interactive process between the Government and various sections of industry.

(d) The National Highways Authority of India (NHAI) has been mandated to provide connectivity to all major ports in the country in National Highway Development Project (NHDP) Phase-I. The Government has approved a proposal for connecting 10 major ports in the country covering a total length of 393 kms at a total cost of Rs.1824 crores, as part of NHDP Phase-I. The major ports of Mumbai, Jawaharlal Nehru Port, Mormugao, New Mangalore, Cochin, Tuticorin, Chennai, Visakhapatnam, Paradip, Kolkata including Haldia Dock Complex are included. However, subsequently the Mumbai Port Trust in association with the State Government has initiated the process for providing improved road connectivity to the Mumbai Port at an estimated cost of Rs.170 crores out of which the share of the Port Trust is Rs.50 crores. In Kolkata, it has not been possible to undertake the project because in the original alignment, land was passing through defence areas which was not made available. In so far as Kandla Port is concerned, the road connectivity project has been completed in 2002.

(e) The private sector has shown keen interest in participating in projects for development of ports in the country. So far 19 projects involving private sector investment to the tune of Rs.6445 crores in major ports have been approved by the Government. Out of these,

13 projects have already been operationalised. Responsibility for development of ports other than major ports vests in the respective State Governments.